(i) Eighty-ninth Report on the Development of Leather Industry;

(ii) Ninetieth Report on the Foreign and Domestic Investment in Retail Sector; and

(iii) Ninety-first Report on the Export Infrastructure at Airports, Ports, ICDS and LCSs, etc., and Town of Export Excellence in the country.

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REPORT OF THE DEPARTMENT - RELATED PARLIAMENTARY STANDING COMMITTEE ON SCIENCE AND TECHNOLOGY, ENVIRONMENT AND FORESTS

SECRETARY-GENERAL : Sir, I beg to lay on the Table a copy (in English and Hindi) of the Two-hundred and Second Report* of the Department-related Parliamentary Standing Committee on Science and Technology, Environment and Forests on Coastal Management Programmes.

MR. CHAIRMAN : We shall now take up further discussion on the Motion of Thanks on President's Address moved by Shri Satyavrat Chaturvedi on 5th June, 2009, and the amendments moved thereto. Smt. Jayanti Natarajan to continue her speech.

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MOTION OF THANKS ON THE PRESIDENT'S ADDRESS

SHRIMATI JAYANTHI NATARAJAN (Tamil Nadu) : Mr. Chairman, Sir, when I was speaking on Friday while supporting the Motion, I was discussing about the meaning of this mandate to my party, to the country as a whole and to all of us who are sitting here. In continuation, I would like to say that this mandate, we believe, really gone beyond the politics of the past and takes us into a new vision for India – a vision of growth, a vision of social inclusive growth and a vision of a dynamic and vibrant India. Sir, the past two decades have seen India and Indians bloom under various Governments. New technologies, new markets, new aspirations have galvanised the entire country. This mandate, we see, as a validation of that process of galvanising, as a harvesting of those new energies. And, in that sense, this mandate represents India's yearning for change for a better life, for prosperity, not just in the life time of our children but also in our own life time because we believe that the people of India have, in the last tenure of the Government and in times before that, seen and enjoyed the frutis of socially inclusive development, especially from the policies that were put in place by the UPA Government, Now, the people of India expect from us that these fruits should be distributed to even more people, should be distributed to even more wide-ranging sections of the country until it reaches every last Indian in every last village. In that sense also the expectations' resolution that is sweeping India today–what to expect from the political class and the people who govern them – is both, heart-warming and slightly frightening in its intensity. People want change in the lifetime of one single Government and, I think, this Government firmly believes that it is possible for us to deliver that change to them; and it is with that faith that we moved forward from this mandate. This is the charter that the people of India have given to the UPA Government. This is more than an electoral

*This report was presented to the Chairman, Rajya Sabha, on the 20th March, 2009, when the Rajya Sabha was not in Session. Chairman, Rajya Sabha, has also ordered printing, publication and circulation of the Report.

endorsement. We believe that this should be, and it is, a drafting of new social contract. In that sense, the Government does not go forward in a sense of self-congratulation of self-satisfaction, but responds to the mandate with sensitivity and also understands that all the 'different Indias' and all the deprivations that still exist, needs to be urgently addressed and 'all the Indias' are brought together as one 'India'. The President's Address, I believe, is an explication of this resolve. It, therefore, focuses on economic growth and it promises to invest the surplus, generated by our economic growth, on welfare and on the social sector to bring to the haves and haves-nots education, adequate job training, skills and even basic health care to an extent with which they can claim to be equal citizens of this country. It is, therefore, crucial, and we believe that it is crucial, to not only see welfare and social sectors as mere receptacles of give aways for public money, but also as an investment in human capital. The President's Address not only emphasises on traditional infrastructure, roads, highways, ports, airports, the development, but also on social infrastructure, that is, education, health, empowerment of women, which is as vital as the traditional health sector. Both these are intrinsically linked to the fate and destiny of our country's democracy and of our future.

Sir, I would specifically like to refer to a few points made by my colleagues from the other side, who spoke before me, and also to a few points that we consider to be extremely important. The first being terror, we all know that the issue of terror is some- thing that is extremely challenging, not just for any Government but for the people as a whole, for the Opposition, for every single citizen of India because unless the scourge of terror is stopped, I think, it would not be possible for our democracy to make any kind of meaningful progress. The leadership of the BJP had promised, at that point of time, to bring out a White Paper on terrorism, but even though that had not come out with that, the UPA Government and the Congress Party have released a specific manifesto on how to fight terror in the future. This included, long-term plan to boost the police recruitment, a successful activation of actionable intelligence, a national identity card project, national population register, a coastal command, a citizens' campaign to overcome terror, amendment of the Unlawful Activities Prevention Act, a permanent crisis management group, and a National Investigation Agency.

Sir, I would like to make just a small point here. I don't want to take more time of the House. It has often been said that it was the UPA Government that repealed the POTA and that is the reason why the terror attacks intensified. That is totally wrong. It has also been said that it was the UPA Government that again brought back the tough law, and therefore, they accepted that the POTA was necessary. This is not true, Sir. In many ways POTA was communalised. We opposed that. We do need a tough law on terror; we do need greater coordination; we do need to place the greatest possible emphasis on coordinating the struggle against terror. However, Sir, POTA had two obnoxious provisions. One was : A confession before a police officer would be considered acceptable and that has been criticised even by the Supreme Court, Sir. The second and even more obnoxious provision was : If the public prosecutor opposed bail, then the court was obliged to listen to what the public prosecutor said and deny the bail, which is a complete nullification of all notions of

law and natural justice. So, the new law that is being passed by the Government leaves out these two obnoxious provisions. I think that is absolutely vital in the interest of democracy nad of human rights. A law like POTA has been misused by other Governments in the past and it has been misused in many States. I do not want to make a political speech but the fact is it has been misused by many States. Those two provisions have been left out and that is as it should be. With the new law, Sir, I do believe, that we can take the battle against terror to a new level. In this, my final plea would be, Sir, that it is absolutely vital not to communalise terror. It is absolutely vital that terror should be fought across the board by all citizens. If the fight against terror is politicised or communalised, the battle is lost even before it is begun. Sir, there are examples which I can give, but I want to remain at a level which is totally non-partisan and I would like to appeal to all sections of this House to please reflect carefully. I am sure the same thought had occurred to you, but there are examples where the war against terror has been politicised, has been commualised, where Governments in power have not got the support that they should from other sections of the polity of our democracy and that should end. We should look at it in an objective way; we should look at it is as stop a country; we should look at it as Indians and we should immediately stop the politicisation of terror; otherwise, the war will be lost even before we begin.

Sir, I want to make a brief reference the question of economy. This Government has shown great achievements in the economic sector and despite challenges, despite a worldwide recession, despite a worldwide disarray of the economic markets, we have succeeded in keeping our country and our economy insulated to a certain extent from the worldwide recession that is going on. I can give you all the details regarding the growth rate. Very briefly, Sir, I want to make just three main points on the economy. India's average growth rate during the five years of the UPA Government, the last five years, was 8.5 per cent compared to 5.8 per cent in the previous five years. Even in the last year of the UPA Government, with the world sinking into recession, our growth remained resilient and our growth is higher than it was during the previous five years. Sir, there was an unprecdented commitment to the social sector and to the *aam admi*. For example, the outlay on *Sarva Siksha Abhiyan* in 2003-04, the last year of the previous Government, was Rs. 2,730 crores, but it went up to Rs. 12,643 crores in that last year of the UPA Government and increased a five times. A similar five-fold increase was made in most of the Central Schemes including the Mid-day Meal Scheme for which the annual outlay was increased from Rs. 1,375 crores to Rs. 6,688 crores. The outlay for the ICDS was increased from Rs. 1,458 crores to Rs. 6,370 crores. There are also many new schemes such as the NREGA which has already provided employment to more than 4.3 crore households were started by the UPA Government. There have been some charges that the Congerss-led UPA Government had not treated the Opposition-ruled States properly. I would like to very categorically state here that the Congress-led UPA Government increased Central funding to the four Opposition-

ruled States, Madhya Pradesh, Chhattisgarh, Gujarat and Rajasthan when it was ruled by the BJP, by 63 per cent – an increase of Rs. 73,824 crores compared to what the earlier NDA Government had done.

Sir, coming to investments in other areas, in regard to the infrastructure area, Mr. Jaitley made a reference to roads, to the important of infrastructure of transport. My information taken from the Government records is that the UPA has added 70 per cent more capacity in power that the NDA. During the NDA time, Sir, the capacity was 13,878 and during the UPA time, Sir, it became 23,583. The lengths of new roads that were completed were 197 per cent, higher than what it was during the NDA time. It increased from 2390 to 7094 during this period, and the amount that was spent by the UPA on completed roads, for the first four years, was Rs. 37,003 crores, as opposed to Rs. 18,159 crores in the NDA time.

Sir, I also want to make a brief reference to what was said about poverty by Mr. Yechury. He was talking about it. It is absolutely true. Despite out tremendous growth, despite the fact that our economy remains insulted in many ways, the fact is that there is a great amount of poverty, there is a great amount of poverty at various levels in our society which is a matter of national shame, which is something that every single one of us needs to address. But, Sir, I just want to point out – once again I don't want to make any controversial remarks – that it is for every section of society, the States, the Centre, every stakeholder, every citizen to put their little might into building up the economy, into alleviating the poverty. It is not as if this is something that is in the hands of one Government, whichever party may be in power. Sir, once again, I just want to point out, for example, that even if you take West Bengal where Mr. Yechury's party is in Government, reports have it that 14 out of 18 districts of West Bengal are among the hundred poorest districts in India and the poorest district India is the Murshidabad in West Bengal where 56 per cent of the people live in abject poverty. So, 1.47 of India's rural poor lives in this district along. Sir, if you take a ranking of Indian States by per capita, once again you will find that the position in West Bengal will be 9 in 2004-05. Sir, then if you take, for example, availability of drinking water – and the source of these is the National Family Health Survey – you will find that only one quarter of the households, *i.e.* 27.9 per cent of the households in West Bengal have access to safe drinking water, which is far less than comparable States; whereas Maharashtra has 78.4 per cent access to safe drinking water and Tamil Nadu has 84.2 per cent access to safe drinking water. Sir, there are many examples that you can give. It is not a question of which State or which Government. I think, it is something that should be considered as a national effort and both, the National Government as well as the State Governments, have to cooperate in this endeavour to take the country forward. In as much as we bring ourselves together politically across the boards in this effort to take the country forward, I think, the constructive effort will be much more useful than a blame game or political brinkmanship. It is much better that we don't indulge in that.

Just two or three more points, Sir, and I am done. A very important point was made recently by Mr. M.S. Swaminathan, a Member of our House when he had spoken somewhere else, where he spoke about how the implementation of NREGA and RTI have laid the foundation of a possibility of important legislation that can be enacted and implemented regarding removal of poverty and deprivation from our country. Mr. Swaminathan had pointed out in his article that when you see that the NREGA is the world's largest ecological security programme, having generated 450 crore person days of employment and a majority of whom are women, Schedule Castes and Scheduled Tribes at a cost of about Rs. 35,000 crores paid as wages, the time has now come for a convergence of human development at NREGA sites by which he makes an important point, Sir, that at NREGA sites, child care, nutrition and education programmes should converge and the National Rural Health Mission should pay attention to this so that at the NREGA sites where the most deprived of Indians and Indian society converge to work, if our other social programmes including education, child care and nutrition are brought here, then it will result in a further social transformation of the most disadvantaged of the India's poor people. Another very important point that was made by him is that NREGA workers in their thousands should be made aware that they are the food soldiers regarding climate change because they do very important work which stops ecological and environmental destruction; they do watershed planning; they do water harvesting and soil care. Therefore, Sir, the role of the NREGA cannot be under-estimated. It is not just a job-generation programmes; they are also the foot soldiers against climate change. Also, it should be a point of convergence for other social schemes so that the greatest amount of benefit goes to the greatest number of people. Above all, Sir, it is very important to ensure that not just NREGA but all these other social schemes are implemented at the lowest levels of governance-- the panchayat level, the district level and at the level of the local bodies so that there is greater democracy and greater accountability.

Now, I would like to say one word about the climate change. Mr. Jaitley referred to the issue of climate change. No doubt that this is a very important issue for the country. We are really paying the price of deprivation of historical emissions of the developed world and we are now being told to cut our emissions. The fact is that our carbon emissions are about one tonne per annum per capita, whereas in many developed countries it is almost as much as 7 tonnes or 23 tonnes per annum per capita. Therefore, Sir, it is true that our Government has put up a spirited fight and alongwith China is forcing the developed countries to be accountable for their emissions, both historical as well as present. But it is unfortunate that developed countries are not willing to cut their own emissions but are now talking about cutting the emissions of developing countries. In hailing them, Sir, our Prime Minister made an important announcement that he will undertake that India's emission per capita of carbon will never exceed that of any of the developed countries at any given point of time. In spite of that, Sir, the developed countries are still providing to be recalcitrant. Three imporatnt measures being taken by the Government already, Sir, are to facilitate a better IPR regime as far as climate change is concerned, to create greater absorptive capacity and also to ensure that greater financial assistance and capacity for climate -change resilient technologies is forthcoming to us from the

developed nations. In this instance, Sir, I would like to make just another point. This cannot be separated from the issue of water in our country. There is a future particularly in States like Madhya Pradesh where water are not too far off from an imminent danger. I think that in all the discussions regarding climate change, it is not just a part of climate change but a part of very social order that this whole issue of water – how we deal with water, how we deal with water resources whether it is the sharing of river water among States, or whether it is how we do water harvesting and how we get safe drinking water to our own citizens. Water is one of the most important issues facing our nation today and the issue of water is something that the Government needs to address its urgent attention to.

Sir, I finally would like to make a small reference to the issue of Sri Lanka. I come from the State of Tamil Nadu. It is not just my State, but the entire country which watched an horror at the pogrom, at the killing of, in the last three months alone, over 20,000 innocent Tamil civilians. So, the situation of Tamil civilians in Sri Lanka is something that will shock the conscience of the world. Today, after the war in Sri Lanka is over, the situation of those Tamil civilians who are internally displaced people, who are refugees in their own country and who are in camps, is something that the entire world community should get up, watch and take note of it. The Sri Lankan President who was absolutely determined to stamp out terror, and rightly so, should now show that he really means what he says terror, and rightly so, should now show that he really means what he says when he assures the world community and India that he will see to it that Tamil living in Sri Lanka are treated as equal citizens without discrimination. So, the most importnt priority of our Government has taken a great deal of steps to draw attention to this issue...*(Interruptions)*...

DR. K. MALAISAMY (Tamil Nadu) : Can I make a point order?

SHRIMATI JAYANTHI NATARAJAN : I have not said anything that requires...*(Interruptions)*... I am not yielding, Sir....*(Interruptions)*... I am not yielding ....*(Interruptions)*...

MR. CHAIRMAN : Please go ahead.

SHRIMATI JAYANTHI NATARAJAN : I am making, Sir, a completely non-political...*(Interruptions)*... and I would like to raise the level of debate....*(Interruptions)*

MR. CHAIRMAN : Let there be no interruptions, please ...*(Interruptions)*.. Let the hon. Member finish...*(Interruptions)*...

SHRIMATI BRINDA KARAT (West Bengal) : Sir, ...*(Interruptions)*... that is also politics..*(Interruptions)*..

SHRIMATI JAYANTI NATARAJAN : You can say it was wrong. You always refute me when you speak. I have no problem...*(Interruptions)*.

MR. CHAIRMAN : Please, continue ...*(Interruptions)*.

THE MINISTER OF COMMUNICATION AND INFORMATION TECHNOLOGY (SHRI A. RAJA) : Does the Government of India believe what Sri Lankan Government says? ...*(Interruptions)*...You speak for the Government.

SHRIMATI JAYANTHI NATARAJAN : I am neither a Minister nor...*(Interruptions)*.. I speak on behalf of the Congress Party...*(Interruptions)*..

MR. CHAIRMAN : Please, let the hon. Member complete what she is saying...*(Interruptions)*.

SHRI A. RAJA : What is the Congress Party's view?

SHRIMATI JAYANTHI NATARAJAN : I am saying this. If you allow me to finish it, I can say it...*(Interruptions)*.

MR. CHAIRMAN : Mr. Raja, no direct talking please...*(Interruptions)*. No interruptions.

SHRIMATI JAYANTI NATARAJAN : Sir, these parties, the party Mr. A. Raja represents and the party Mr. Maitreyan represents, made all these noises before the elections about Sri Lanka. Now, where are they? ...*(Interruptions)*.

MR. CHAIRMAN : Order please ...*(Interruptions)*...

SHRIMATI JAYANTHI NATARAJAN : Now, they are silent ...*(Interruptions)*. So, don't politicise it.

MR. CHAIRMAN : Members will address the Chair and don't interrupt.

SHRIMATI JAYANTHI NATARAJAN : Sir, on these people falls the terrible blame of politicising even the suffering of Sri Lankan Tamilians. Not one voice is raised after the elections, whereas this Government...*(Interruptions)*..

MR. CHAIRMAN : Hon. Member, would you like to take more time? You have exhausted the time allotted to you.

SHRIMATI JAYANTHI NATARAJAN : Sir, my party has time.

MR. CHAIRMAN : I know your party has time.

SHRIMATI JAYANTHI NATARAJAN : I will take only two-three minutes. All I am saying is that it is absolutely vital for us, both as a humanitarian measure and as neighbour who is totally concerned and those of us who live in Tamil Nadu know and empathise and have relatives and friends and families across the border in Sri Lanka, to ensure immediate relief, immediate rehabilitation of those who are in the camps. It is absolutely vital to ensure that they are restored to their homes. The displaced people go back and live in their homes. It is absolutely vital to ensure that medical treatment is given to these victims and to ensure that areas around where the war zone happened are totally de-mined so that the people can go back and live there peacefully. Above all, Sir, we demand that President Rajapaksa ensures proper devolution of authority, total equality of citizenship and absolutely no discrimination as far as the Sri Lankan Tamils are concerned and nothing short of this will satisfy the world community or the call for justice.

Sir, the last word, I would like to say about attacks on students in Australia. This is a matter that is of concern to all of us across party lines. More than 1447 attacks have taken place in Victoria

against Indian students and the fact that I do not want to raise it to a pitch which will harm the people who live there, but the fact remains that it cannot be dismissed as a mere burglary or a soft target. 1447 attacks in Victoria against Indian students has to be racist. Therefore, the police force has to be told through you, Sir, and through the Government, that they have to have a multi-cultural police force, a greater sensitivity to the racial issue, and a greater appreciation of the fact that so much of Australia's foreign exchange comes from the fact that Indian students and other foreign students, Chinese and Indian students, constitute 40 per cent of the student population in Australia. It is very important for them to understand that we will not tolerate these attacks.

Sir, the last word, if you will allow me, is about women. I would like to welcome the fact that special consideration has been given to the empowerment of women in the President's Address and the National Literacy Mission has been converted into the Mission for Female Literacy. The fact that only 54 per cent of our women are literate is something that should bring shame to all of us in India. And, all our hopes of greater female employment, inclusion in financial sector, inclusion in the workforce, political participation, participation in decision-making will remain a useless dream unless the goal of female literacy is fulfilled. And I go far enough to believe that if the goal of female literacy is reached, it will be even more important step than the goal of universal franchise which was introduced in 1951. It will revolutionalise our country, our lives, our economy and our society. Mahatma Gandhi said, Sir, "Be the change you want to see in the world", and I am glad and proud that the Congress-led UPA Government has made that magical mantra its watchword. Thank you, Sir.

SHRI ARUN SHOURIE (Uttar Pradesh) : Mr. Chairman, Sir, I would like to have this opportunity to follow Mrs. Jayanthi Natarajan on the President's Address, and, I will be taking advantage of the presence of Mr. Antony to really begin with the paragraphs 41 to 44 which deal with foreign policy, which is an area of your specialisation and interest, and, paragraph 12 which deals with defence, and, then, come to the economy, and, finally to what I regard as most important thing that needs to be resurrected and which came to be neglected in the last few years.

I shall be pointing out, Sir, that the situation is far more complex; in many ways, the situation is treacherous much more so than is evident from the President's Address, maybe the customary homilies are there only for that reason, but the situation is much more complex and treacherous, and, therefore, it would require much more greater effort on behalf of the Government and it will require all of us to join hands on constructive matter which come before the country in this regard.

Sir, of course, I would have liked the result to be other way round but I am greatly reassured that of the available alternatives, the result that has come about from the elections is the best possible from the available alternatives because I was mortified of the hurtling of the country towards not just the splintering of the electorate, not just coalitions but coalitions with weaker and weaker course,

and, therefore, less and less effective Governments, and, that has been stemmed for the time being, and, secondly, Sir, the senior Members of the Government of this new Cabinet are ones whom we can trust would not ignite that kind of adversarial reaction as happened in the last few years. For that reason, I would really follow what Mrs. Jayanthi Natarajan has said just now about the spirit in which we must approach these problems.

Sir, the lesson for all of us is the same that inside this House, we should really make it a competition for better ideas, not just for thumping the tables about problems but for coming up with solutions and a competition for solutions worked out in detail, and, outside this House, wherever, whoever is in office, to provide exemplary governance.

Sir, the reason why I mention this is that it is true that our country has limitless potential and we have only had a glimpse of that in the last ten years. But it is equally true that there are several countries which had the spurts of growth of eight to ten per cent at a time, for fifteen-twenty years at a time, but ultimately, fell into what is well-documented phenomenon amongst economists, called the 'middle-income trap'.

If you look at Philippines, Thailand, Brazil, or, Mexico, they all had very high growth, and, then they just coasted along precisely because of disarray in the field of governance, politics and public life. It is for that reason, and, in that spirit, Sir, that I shall take up these problems because I also feel that there has been, in India, a consensus in practice; whoever has been in office, wherever and whenever he has been in office has tried to do the same things, and, has been obstructed by those who happen to be in Opposition at that time. I have had this experience of five years when I tried to continue the policies initiated by Dr. Manmohan Singh and others and the same sort of things repeated later on.

So, I do hope that this election will mark a new beginning – there are persons for whom many of us have had greater affectionate regards like Mr. Antony, Mr. S.M. Krishna and others – and that we would all join hands in the types of things that need to be done.

For instance, just now, apart from her observations on POTA, Mrs. Jayanthi Natarajan read out a list in fighting terrorism is a list on which in many of the matters, Madam, I can assure you that you will find the same thing in statements, representations and recommendations of all of us. The Unified Identity Cards and so on, all of these things are matters on which there is a consensus in practice, and, we must translate that into a consensus in fact, the execution.

So, Sir, I will first take up paragraph 41-44 which deal with foreign policy, and, as Mr. Antony is here, I will then take up paragraph 12 which deals with defence, and, then, come to the economy. Sir, in these paragraph, as you will notice, all the familiar phrases are there like 'we want peace', 'we are for a peaceable world', 'we want close relations with the United Nations', 'we want close relations with China', 'we want close relations with Russia', 'we want Pakistan to be unified and prosperous' and all these things. But, Sir, the situation is much more complex. When, under your

Chairmanship, we discussed the attacks in Mumbai and its aftermaths, I had urged several things, the Prime Minister was here at that time, but I recall only two of them and you will see the consequences of disregarding those simple things. One of my points had been, "Please don't get into this business of sending evidence to Pakistan because you will actually then be putting Pakistan in the position of the judge". They will say, "No, this is not right. This is wrong". But, exactly the same thing happened. I had mentioned it as my first point and my suggestion was, "Don't run to 'mummy' that is United States so as to deal with with Pakistan.". But exactly the same thing happened and the result is that in regard to Pakistan, we are exactly where we were after the Mumbai attacks. Second, we have become, in my view, precariously even dangerously dependent on the United States for dealing with Pakistan and for dealing with the threat from China. We have to remember two points about the United States with whom we want close friendship, and the paragraph is very eloquent on this. One is, it is today dependent on Pakistan, not the other way around. Second, it is dependent on China, not the other way around. It is dependent on Pakistan because of the fact that they want to continue somehow the fight which they have begun in the region till a time when they can make an honourable exit. Second point is that for financing the bail out packages, which are imperative for saving the United States' financial and economic system, they are today dependent on China continuing to buy United States treasury bonds. China already has the largest holding. And, thrice in the last six months they have shaken the tree of the dollar. The United States is each time reminded of that. But we think उस टेलीफोन एक्सचेंज से हम कुछ करवा सकते हैं। Sir, I mention this because I apprehend that there will be three new developments in the coming months and certainly in the coming year, to one of which Arun had drawn attention. But there are three developments that are going to cause great problems, and I would urge the Government to be candid with the House to take the people of India into confidence in regard to each of these so that the acrimonies that we saw in the last five years do not occur now. The first is that the next steps, the steps which were there implicitly and explicitly in the statements of our interlocutors from America that next steps in the nuclear deal will now begin to unfold. The first of these is, Arun mentioned this and as you know, Sir, with your vast experience in these matters, that 2010 is the year for the review of the Non Proliferation Treaty. And there will be enormous pressure on India to sign this, not just to sign this but to sign this without being recognized as a nuclear weapon state. Please don't make hairsplitting arguments on this. It has serious operational consequences. Second point will be, there will be pressure on India to sign the CTBT along with the five-six of the countries so that it comes into force even though the United States Senate has rejected the CTBT. And, the pressure will be that we must sign it without what we have been insisting on, an internationally verifiable mechanism. Third, there will be pressure, it has already begun in their statements, for signing the Fissile Material Control Treaty. Again, we must sign it with what is now being termed as a 'nationally-verifiable mechanism' and not an internationally-verifiable mechanism. Our drafts, as you know, and our speeches in Geneva at the Conference on Disarmament always were, "No we will not sign it till there is an internationally-verifiable mechanism". I will tell you why. The United States and one other country have the capacity to verify whether fissile material production has been capped or not. So, what will

happen is, as they shut their eyes to the proliferation activities of A.Q. Khan for years and years, they will say, no, they have stopped it but India has not stopped. So, we said, no, it must be an international mechanism for verification. In the draft, which the United States placed in Geneva in May, this phrase was inserted. And while in the first round, the statements of the India representative were an unambiguous reiteration of our position, within two days, there was an ambiguous statement.

Fourth, we will be asked to sign the PSI on which the Prime Minister himself, as you remember, had said that in its present form it is discriminatory and we have reservations.

Finally, Sir, there is a proposal for a much tougher additional protocol of the IAEA, much harsher than was under consideration last year. So, this is the first point of pressure as all of these things bear on defence. I am sure, Mr. Antony and a very seasoned man like Mr. S.M. Krishna would be alert to the consequences of our being dragooned into signing all these things.

Sir, the second point, which will come as a point of pressure, will be pressure of resuming the so-called 'peace process' with Pakistan and the essence of which will be concessions to Pakistan. I mention this, Sir, because it is only because of one member of the previous Government that the concession, which we had almost got to be made in 2006, was stopped. It was for withdrawal of our troops from Siachin down from the heights and to convert it into an International Peace Park. It was stopped at the last minute and I wrote about it and expressed gratitude to that particular person at that time.

Now the US has concluded that it is stuck in Afghanistan. Pakistan is central to its efforts. Wthin Pakistan, the Army and the ISI are essential. Therefore, the US and other allies must provide to Pakistan what it wants. Therefore, if they want F-16s, if they want arms, which will clearly be used, not against terrorist, but India, well, you have to satisfy them on that. But the Pakistan Army the ISI will not be satisfied just with arms. They will require concessions being made by India which they can hold up within Pakistan. So, this pressure will certainly mount. And the only reason we have had some respite in J & K is, of course, the valour of our forces. But it is really also because Pakistan has been busy with its own problems.

In the end, you know that they are fighting the terrorists in the NWFP and in Swat. But they are not doing anything to the terrorist infrastructure based in Punjab in Pakistan-occupied Kashmir. In the end, the only way for them to deal with the monster, which they have created, would be to deflect that energy into India, and we have to guard against that.

Sir, our going on appealing to the US अरे भई, देखो, उनको कुछ कहो, is not going to work. I will draw your attention to two things. Sir, just recall the sequence that has taken place in the last two weeks. *The New Youk Times* published a report based on American intelligence sources that Pakistan is rapidly escalating its nuclear weapons production programme. This was around 12th of

May. On 14th May, the US Secretary of Defence, Robert Gates, and the Chairman of the Joint Chiefs of Staff, Admiral Mullen, were testifying before the US Senate Committee on Armed Services. Just see what happened. The Senator in question, Senator Webb, says that he has seen written reports by credible commentators--he was referring to this report -- that Pakistan is actually adding on to the nuclear weapons systems and warheads. And he asked, "Do you have any evidence of that?" Admiral Mullen said one unambiguous word which rang in the whole hearing. He said, 'yes'. So, four days later, at the State Department, the spokesman was asked why they are going on giving the seventeen billion dollars to Pakistan in aid. They are expanding the nuclear weapons programme. After that, the Senator actually has said something and that strikes me as something that we should be approaching with enormous concern. We are talking all the time about the potential that Iran might have in nuclear weapons capability and the consequences of that. Here is a regime which is much less stable. They are acquiring this. Why are you not linking these two? Five times, the State Department was asked about that and they said, "No, no. We are not going to link". So, you will see that they are not going to do our work and look after our interests in this regard. Nobody is going to do it.

Sir, the third point that bears on defence and on foreign policy is that there will be much greater pressure even on management of our own security. You remember, Sir, the outrage in India after the attacks in Mumbai. You remember, Sir, the outrage in India after the attacks in Mumbai. You remember the consternation in India after the attacks in Government of India was not doing something in return. All sorts of wild things were said. I have said that wild things should not be done. It's only one thing that could be done. And, one answer or one fact of the matter or one explanation was that actually India has not built up a singular capacity that can work in such circumstances and that is to do a Kashmir to Pakistan in Pakistan. That is one answer and the other answer to which I want to draw your attention to is, there is an answer that is given by the American Secretary of State, Mrs. Hillary Clinton. In another hearing on April 23 before the House Appropriation Sub-Committee on State, Foreign Affairs and Related Programmes - Mr. Antony will see this -- while they were taking about the attacks in Mumbai, listen to what she said. It is the future. She says, "We worked very hard as did the prior administration to prevent India from reacting." And she says, "But, these people will continue these attacks. Therefore, we do have a lot of work to with the Indian Government to make sure that they continue to exercise the kind of restraint that they showed after Mumbai. "She went further and said, "There have been a number high level discussions." The Prime Minister has come Mr. Prime Minister, Sir, I was just talking about the testimony given by Hillary Clinton, Secretary of State in the House Appropriations Committee about the aftermath in Mumbai and she said, "We worked very hard as did the prior administration to prevent India from reaching." And she said "Actually these types of attacks will continue. So, we do have a lot of work to do with the Indian Government to make sure that they continue to exercise the kind of restraint they showed after Mumbai." She went further. The Prime Minister is here; maybe, she was wrong; he will tell us, She said, "There have been number of high level discussions including between the US

President and the Indian Prime Minister on the sidelines of the G-20 Summit in London. To do what? The quotation is "Raising the issue of how India can do more to clamp tamp down any reaction on any front like Mumbai could have provoked." Now, therefore, Sir, we must bear in mind that this is the kind of pressure that will come. Every country will act in its own interest. It will act in its own interest as perceived by a handful. It will act in its own interest as perceived by a handful at that moment. Today Saddam Hussein is very good as a counter to Iran and he must be financed, patronised and encouraged. Tomorrow, he is the devil. Today, the Taliban are very good. They must be created; they must be organised; they must be fired up; they must be armed to throw out the Soviets. Tomorrow, they are the devil. Therefore, Sir, my first point is for Mr. Antony. My dear friend, Tarlochan Singh is here. After Mumbai, he quoted Guru Nanak. Exactly that is what we need. We need to do much more to build up what the Chinese call 'our comprehensive national strength'. He said: '' बल छुटक्यों बंधन पड़े कछु न होत उपाय। बल होवै बंधन कटे, सब कुछ होत उपाय...'' तो वह आप पहले कीजिए। दूसरी चीज, सर, Please look not at the endearing statements of one ruler of Pakistan, one transient fellow or not. And all those activities continue. Look at the nature of Pakistani State and society. Has that changed? Third, I will come to this about China, its aim, the capacity it is acquiring and what it is going actually on the ground to which I will just turn. Don't recreate and make a world of make-believe, a sort of world which led us into a ditch in 1962. Finally, in regard to the United States in dealing with foreign policy, please look at the objectives of the U.S. In this region, its perception of current state of affairs, as I mentioned to you, of who they regard as central, and third its present compulsions. Then you would have a more realistic view.

Sir, I come now to paragraph 12 which deals with defence. Sir, I have 4 points to make. First, it is not Antony's fault, it is not any particular person's fault, but it is a fact that both in acquisitions and development of our weapon system, we have not progressed as rapidly as our engineering, technical capacities entitled us to progress and as the situation demands. It is said that this is because allegations are made, inquiry starts. Therefore, the honest officers delay the decision. That is not the case. Sir, the point is, just now also you had to freeze acquisitions from 7 firms. The fact of the matter is that these decisions get delayed because the inquiries are made to drag on for ever, and because the guilty are not punished. Therefore, my request to you is three-fold. First, act with lightening speed on those inquiries; second, punish; an exemplary punishment to whoever is guilty; third, demonstrate by your own actions that you will stand by the honest officers. This is required. There is nothing controversial. But I can give you an example. Just now, there are allegations about some Air India fellow getting caught in some trap. Why don't you sequester. The telephone conversations of that ordinance chap were tapped for three months before his arrest. You get the seizure memo from this Air India fellow's house, what has been recovered. From what we know is that the management of that Ghosh's accounts were recovered from this Air India fellow's place, and there are all sorts of reports of where he had been visiting. Sequester, Get hold of all those visiting registers. Then you can make a demonstration that yes, we will conclude this trial, we will conclude this investigation in two weeks, in three weeks, and thereby either you blacklist some firms or you get rid of some firms. That is one point acquisitions.

Second point is, I have been on the Defence Committee, and we have all been very supportive. The country is proud of its scientists. But it is also a fact that many vital DRDO projects have got greatly stretched up. Arjun tank is just one example. I do not want to give many examples of this kind. But on the other side, India is one of the very few countries in which in the private sector, technical, engineering, scientific capacity has been built up in very big way. So, this is an area in which we really should push ahead what everybody has talked. If I am not mistaken, even the Prime Minister has said about public-private partnership. But I remember the Defence Minister and others saying this that we should push it. Tap the energy and expertise which has developed in India so that we really become much more secure than we are at present. It always amazes me कि अरे, प्राइवेट सेक्टर आएगा, सेक्योरिटी जाएगी। But we do not feel insecure when the entire weapon system is bought from a private firm abroad. So, that is my first point, Sir, on acquisitions and development of weapons, and you will not find its mention, at all, in paragraph 12.

The second point, Sir, is on civil-military relations. We have never had an occasion, never in 60 years, when the officers who were in seniormost positions in the Indian Armed Forces had returned their medals when they came out on the streets, as happened just a few months ago. And it was not just because of 'one rank-one pension', the point is mentioned in paragraph 12. It is because of the entire approach of the Pay Commission in regard to this. And they feel that yes, there is an extreme shortage of officers in the Armed Forces. In the Army alone, there is a shortage of more than 20,000 or 25,000 officers and that is the shortage which is hitting in the field-formations because everybody is packed up in the headquarters; that is why the officer and the jawan relationship is getting tenuous and, therefore, you have cases of suicides or assaults as Gill Sahib and others would note. In spite of that, the Pay Commission, Armed Forces feel, was so controlled by the civil servants and others that the Civil Services got much more and the Armed Forces did not get. That is a much wider issued than the just 'one rank-one pension' issue which deals with only retired officers. So, I would urge you to please look at that entire gamut; maybe, expand the terms of reference of the Committee which you have set up in this regard, beyond that single question of one rank-one pension'.

The second point, Sir, here, is that actually speaking, there is a deeper problem in civil-military relations, and that is a feeling which many people in the Armed Forces have because I happen to go to them, very often, for lectures and other things, thay they do not have the voice in determining threat assessments and strategic responses in regard to that. This is not a partisan matter. It is not that the UPA did it or the NDA was doing something else. Over the years, they had not been involved as experts in this whole formulation -- I do not want to go into this because it involves delicate matters. I will give you just one instance. Sir, in 2006, the Armed Forces, Mr. Antony will remember, were asked to draw up a national strategic paper, you know, on assessments and responses. Do you know -- I am sure, you would know, Sir, -- that since January 2007 -- we are now in the 2009 June -- that draft prepared by the Armed Forces has been lying on or in the desk of a civilian officer and has not moved, so much so that the former Chief of Staff of the Army, Gen. Ved Malik, was constrained to go public on this अरे भाई क्या कर रहे हो? And it is this matter, the civil-military relations, Sir, that, I feel, should be attended to. They are not reflected in paragraph 12.

12.00 NOON

Sir, the third situation I have is that by looking at the sequence of things that are happening, because each time whenever there is an assault on India, we turn out to be, actually speaking, a country without options, we go through many types of विनोबा भावे कहा करते थे कि हमारे यहां बात का ही काम है, काम की बात नहीं है। वहीं होता है, we go through the cargos, the mentions of doing something, not doing something, because we have not built up the capacity which a pacifist country, a peaceful country must have, and that is to deal with the entire country, a peaceful country must have, and that is to deal with the entire spectrum of violence; not just nuclear weapons, not just one terrorist, but the entire spectrum, because the enemy chooses what kind of violence that he will unleash. Now, Sir, in this regard, I will draw your attention to one small matter, and because my good friend Raja is here, I will take that up, Sir.

Sir, you look at the end of paragraph 9. Because Mr. Chidambaram is in the Home Ministry, he is attending to systems; he is not just shuffling individuals; he is not just holding meetings. He says--this is quite the kind of words that he had used --"Enhanced information and intelligence sharing on a real time basis, would be made possible by the creation of a net-centric information command structure". I am sure that these words are not there because they are fashionable or current words, but because this is the capacity that we should acquire. But you know, as the economies get integrated, they become more vulnerable. An integrated power grid can be hit at afew points and the power supply to North India is finished. When you have net-centric command structures, as has been done in the Defence Froces and Mr. Chidambaram is going to do it with our police forces, you become capable but you also become more vulnerable. In 1989, the President of China at that time declared, "We will recruit an army of hackers", and they demonstrated this capacity again and again by targeting the Pentagon system. Every fortnight they have a report on this. They have a startegy of hitting at the acupunture points of the society so as to disable it. Now, Mr. Raja is my very dear friend. but I have watched, Sir. I have never said this in public. I have watched with great dismay the initiatives which were taken with the Armed Forces and found Ministry of Information Technology building fire-walls around our infrastructure, building fire-walls around our banking and financial transaction structure and building fire-walls around our airport and railway traffic control systems. These are the accupuncture points, the integrated power grid. A lot of effort was stated in this direction. I don't want to make any allegation. I watched with dismay and I would only pleasd with Mr. Raja, please do your best, as I am sure that you will, in regard to this because it is not just net-centric warfare, a command structure. Behind that lies great vulnerability as well as great potential.

The next point is this. I can give you an example. In the United Kingdom and in the United States, for this very reason--because they had seen that backdoors were put, because they had seen that things were built into chips which can be triggered by magnetic pulses -- all telecom infrastructure from China was banned. There was a note of the National Security Advisor, when I was there, to this effect and how suddenly that has been disregarded is a different thing. If we talk on these matters later, I would disclose to you the papers and the minutes of what transpired in the meetings. So, this net- centric type of things is very necessary, but it also requires other work and, therefore, I would

urge upon Mr. Antony, please pay great care that we associate with you to this question of meeting the entire spectrum of violence in this regard.

The next point is the imminent threat. Mr. Satyavrat has mentioned this. He said, "China has enriched India", and he urged upon the Government to pay attention to this. But the fact of the matter is that on two counts, because of outsourcing or paralysis of our Government, this encirclement has got greater scope and has been speeded up and facilitated. One was the paralysis that occured in regard to the developments in Nepal and the ultimate outsourcing of the foreign policy to my friend, Mr. Sitaram Yechury. That had consequences. It gave China a great opportunity in Nepal.

SHRIMATI BRINDA KARAT : Sir, what is this? He is unnecessarily bringing Mr. Sitaram's name in this. What is this?...*(Interruptions)*... It is not correct...*(Interruptions)*

MR. CHAIRMAN : The hon. Member is not present in the House. He will continue.

SHRI ARUN SHOURIE : Another point, Sir, is that in the case of Sri Lanka, again, we have remained paralysed because of the nature of the coalition and, therefore, Pakistan was invited to supply arms. They supplied arms. China supplied intelligence on the Tamil terrorists and, in fact, our reports are that many of these terrorists were using the north-western Indonesian waters for shipping arms of Sri Lanka; and China made it impossible for them to do so and handed these persons over to the Sri Lankan Government. Thereby they again acquired great influence over our south also. So paralysis is facilitating the encircling. The second point is, you see, after every few months they reiterate their claim to Arunachal Pradesh. In January, as you know, they stopped the loan from the Asian Development Bank because it had a very small component of just three billion dollars for a project in Arunachal Pradesh. Do you think these things are done inadvertently? On Security Council reform, on relations with ASEAN, on any place, wherever India could improve its footprint, China has been an obtacle. Correspondence has been released on this matter. But equally ominous is that the have continued their intrusions into Indian territory. In 2007, the Director-General of the ITBP said that there have been over 170 intrusions. In 2008, there have been more. From what I have been told by our senior most officers, there have been over 80 intrusions this year, till now. In the first week of January, I sincerely hope I am wrong, but my information is verified from three sources, within Defence and in Ladakh that at the Spangur Gap which was manned by the ITBP, the Indians were pushed back in force. The Chief Executive Councillor of Ladakh rushed there and other officers also rushed there. The ITBP people said that they had no instructions to reverse what has happened. The result has been that over the last three years -- please don't take this to be a UPA or NDA matter at all; I am not saying in how many years -- the Chinese who used to be 15 to 20 kilometres away from the Line of Actual Control, they have how come and are sitting on the Line. Therefore, Sir, I have two pleas. One, the situation is much more complex in regard to defence. It is much more treacherous than is evident from Para 12 of the President's Address. If anybody wants to verify, this Spangur Gap is near Chishul in Ladakh where we now have an airport, which is next to the beautiful lake.

My second point is, please take the country into confidence in these matters. If somebody is doing this, it is not a reflection on you. I am certainly never going to say that the Government is not alert in these matters. But unless you take the people into confidence as to what is actually happening, जब कुछ बड़ी चीज होगी तो हमारा हाल 1962 जैसा होगा, we will be surprised again.

Now I come to the economy. This is dealt with in several paragraphs of the President's Address. After the economy, I will make only one point about the most serious, I will not say omission, but that is something which I would pleased and I am sure the Prime Minister with great concern on these matters, will take that into account. There is an omission from the President's Address.

Shrimati Natarajan was talking about the management of the economy and so on. Sir, you have given me an opportunity to speak after each budget and the fact of the matter is that because of the financial, I would not say, mismanagement but fiscal profligacy of the last five years, in particular of that last two-and-a-half years, our deficit Council itself had to say that now there is little fiscal headroom left for further fiscal stimulus packages.

The second things is that we remained in denial too much of last year and when we started the remedial measures, by now, most of the monetary policy instruments, which could be used, have already been used to the maximum extent. So we don't have possibilities there. Therefore, my plea is please act in time, overwhelm the situation not by incrementalism. Thirdly, the main stimulus that you can give today is in the more rapid execution of projects. This is the problem. This is one of the great differences between India and China. I will say why the President's Address is disappointing in this regard. If you see, they give five remedies on execution. First, a Delivery Monitoring Unit in the Prime Minister's Office to monitor flagship programmes and iconic porjects and report on their status publicly. Actually, I do not know what this new office will do. There has actually been a committee under the Prime Minister himself to expedite and monitor all major infrastructure projects. They say, "suitably institutionalised quarterly reporting of flagships programmes". These are all one pages 12 and 13. Sir, we have so many reports. There is a quarterly report from the Administrative Reforms Department which lists the cost and time overrounds on every single Central project, but, no consequences followed. The next is, streghening public accountability of flagship programmes by creation of an independent evaluation office at an arm's distance from the Government, catalysed by the Planning Commission. I do not understand what this arm's distance from the Government, catalysed by the rubber-stamped and habitual legitimiser of the Government, that is, the planning Commission, means! Third, establishing mechanisms for performance monitoring and performance evaluation in Government on a regular basis. I do not know what this sentence means. Does it mean that mechanisms will be established on a regular basis or that monitoring will be on a regular basis? Thus far, the records of all the Governments have been to establish mechanisms on a regular basis. Then, they say, "Five Annual Reports to be presented by the Government". If you look at the PEO

and if you look at Shri Chidambaram's munificence in the Budget of 2005-06, if you see what he said and did in the Budget in 2008-09, in every single thing, he has made provisions for better monitoring, more reports and so on. In the Budget speech in 2005-06, he says, "At the same time, I must caution that outlays do not necessarily mean outcomes. The Prime Minister has repeatedly emphasised the need to improve the quality of implementation and enhance the efficiency and accountability of the delivery mechanism". So, what did he propose? This is about four years ago. And, you see what they are now saying in the President's Address. They say, "During the course of the year, together with the Planning Commission, we shall put in place a mechanism to measure the development outcomes of all major programmes. We shall also ensure that programmes and schemes are not allowed to continue indefinitely from one Plan period to the next." Was that mechanism not performing? Is this one going to be difficult from that? Similarly, he said, "He, therefore, made a Central Plan Scheme., "A new Central Plan Schemes was done. It was called 'Strengthening Evaluation Capacity in Government'. If you go into web site of the Planning Commission, as I did to prepare for my speech in the House, it says, "Actually speaking, the Planning Commission was given Rs. 8 1/2 crores in 2006-07, Rs. 26 crore in 2007-08 and Rs. 26 crores in 2007-08 and Rs. 12 cores recently." तो और क्या कीजिएगा? Again, in the 2008-09 Budget, last February, he said, "Actually, we do not pay enough attention to outcomes as we do to outlays, or, to fiscal targets as we do to financial targets, or, to quality as we do to quantity. The Government, therefore, proposes to put in place another mechanism, a Central Plan Scheme's Monitoring System that will be implemented as a Plan Scheme of the Planning Commission." In the next line, he says, "A comprehensive Decision Support System and Management Information System will also be established. The intended outcome is to generate and monitor scheme-wise and State-wise and State-wise releases for about 1,000 Central Plan and Centrally-sponsored schemes". But you are repeating the same thing now. Now, this is on the Central problem of expediting implementation. So, my suggestion is different. Please forget these committees. We have a lot of them. Sir, do you know there was some committee under the Prime Minister on infrastructure, on power projects? The delay was even greater. So, another committee was set up under the Finance Minister to remove all bottlenecks. Then, on the National Highways Authority, the Prime Minister himself took reviews because of the delays that were taking place.

The Planning Commission was asked to review the implementation of those projects. And what was the net result? The prescribed limit for awarding contracts it NHAI was five months. After these reviews, it became 20 months. And the credibility fell so low that when, six months ago, they asked for bids on 60 segmets, on 43 segments, not a single bid came; on six more, only one bidder came; on 11 others, bidders demanded additional concessions of 35 per cent more than what the Government was prepared to give. So, on infrastructure, power, NHAI, you have had so many committees; and all that you are proposing is five more sets of reports and committees and offices now! This is the central issues in economic development and giving packages. Sir, the House knows because it has passed the Bill that in our mega power projects, by law we guarantee a rate of return of sixteen –and-a-half per cent. In the Japanese Post Office bank alone, they have deposits of four

trillion dollars. They are earning an interest rate of between a quarter and one per cent. That is all. They do not come here where we guarantee, by law, a rate of return of sixteen and-a-half per cent. Why? That is because they are not confident that we will implement the projects. So, I have a suggestion to make. The Prime Minister is graciously here. Sir, just as you started the Accelerated Irrigation Works Programme, the Accelerated Power Projects Programme -- they have remained miniscule -- you make a fifty thousand crore programme of rewarding the States, rewarding the firms, rewarding the PSUs which implement infrastructure projects in time and in the prescribed costs. That would be the real stimulus to the economy and it would be much better than all the other things that Jayanthi was also just now saying. Why? It is because this is a kind of stimulus which will leave capital assets in its way. Therefore, Sir, my suggestion is that on that section of what will be done -- this is on pages 12 and 13 where you 100 days programme is given -- please take a look, with your vast experience in administration, in policy formulation, to see as to what can be done to expedite implementation.

The second point on the economy is the question of reforms. When Dr. Manmohan Singh took over, Mr. Chidambaram was the Finance Minister and my classmate and Friend, Montek, was the Deputy Chairman in the Planning Commission. Everybody said this was a dream team. The fact is that, on reforms, the pace was not as much as the dream team had been expected to deliver. And it was all put to the Left. Now, that impediment or excuse is not there. And there is, on the other side, a whole sheaf of reports which have been worked out. Reforms have been worked out, as we have your own Economic Advisor, Raghuram Rajan's reports on the financial sector, the Knowledge Commission's report on higher and technical education; all these things. This time, please, just do it quickly.

But I have two points of caution which arise from the Address of the President and the first one is in relation to paragraph 34. it deals with disinvestment. My friend, Arun, was saying that when he heard Satyavrat complimenting the Government on its resolve to sell shares of the Government, retaining only 51 per cent, he said he thought he was hearing me. But the fact of the matter is that, on record, this has ...*(Interruptions)*...हुआ जी, आप मेरी अगली बात सुन लीजिए, that this is the worst form of disinvestment because this is what was tried in 91-98. Doctorsaab remembers this because he was the Finance Minister. Shares were sold; they were put on UTI and others. But, even more important, what happened was that it did not change the governmental character of the enterprises! Second, that money which was taken, all went into the back hole of fiscal deficits, as it is going to go now. And this kind of disinvestment, actually, encourages fiscal indiscipline. You go on with profligate expenditures, and, then you sell shares to cover that up. Therefore, my sincere plea is this. Sir, the only justification for what is being proposed in paragraph 34 is that the fiscal affairs have been so mismanaged in the last two-and-a-half and three years that now there is no alternative but to sell 49 per cent of the shares.

श्री राजीव शुक्ल (महाराष्ट्र) : सर, एक मिनट ...**(व्यवधान)**...

श्री अरुण शौरी : एक सेकेंड..एक सेकेंड ...**(व्यवधान)**...

श्री राजीव शुक्ला : अगर आप Disinvestment पर बोल रहे हैं, तो hotel disinvestment में आपने क्या किया, वह भी सदन को बताइए। ...**(व्यवधान)**...

श्री सभापति : प्लीज़... प्लीज़...(व्यवधान)... Don't interrupt the speaker...*(Interruptions)*

(MR. DEPUTY CHAIRMAN in the Chair)

श्री अरुण शौरी : राजीव जी, ऐसी कोई बात नहीं है। ...**(व्यवधान)**... देखिए, मैं कोई आरोप नहीं लगा रहा हूं, मैं आपको सिर्फ ...**(व्यवधान)**... मैं आपको सजेशन दे रहा हूं।...(व्यवधान)... Sir, my positive suggestion in this regard is, what actually Shri Pranab Mukherjee himself hinted at, when he was presenting the Interim Budget, राजीव, उन्होंने खुद कहा था, that we have to return to fiscal discipline. So, my suggestion in this regard is, not these shortland methods of emergencies, of selling of shares without altering the character of the enterprises, thereby getting the worst of both worlds, but of return to fiscal discipline in this regard.

Sir, my second point is in regard to the minorities. Sir, if you see the paragraph on minorities, it is a sensitive matter and I don't want to labour this point, but the fact is this. It is there in paragraph 28. See, anything that you do extra-ordinary expenditure, what the hon. Prime Minister said that they have the first claim on natural resources, and they will continue to accord the highest priority, etc., all this is subsumed under the question of inclusiveness. But, actually, I request you to please consider the long-term consequences. I am all with you and with everybody in this House for help to everyone in the country who is deprived. But, we must take this on a secular basis, *i.e.*, first, make the individual the unit of State policies and programmes, not groups. Second, in selecting that individual, use secular criteria, as we use income and assets, for instance, in APL and BPL families. Third, never give to the organisation of a religion what you will not give to the organisation of a secular group, ISI and wakf properties or Hindu temples, anybody. If you are not going to give it to a religious organisation. Fourth, never give to the organisation of one religion or group what you will not give to the organisation or group or institution of another religion. All these things are being violated, and you will see the long-term consequences of this. This was the essential point of the British policies which ruined us, which was, proffer a benefit which the other fellow can claim only by remaining and to the extent that he remains separate from the rest of the society, separate electorates and so on. And the kind of things that are being done in Andhra, Sir, the kind of things that you are proposing to do under the Sanchar Committee Report implicit in your paragraph 28 are the things on which I would urge you to reflect greatly.

Sir, I would only take one final point, and that is, there are many things to be said about the lists that have been there. I feel that many of the lists have been put thogether hastily, this 100 days's business, but, I don't want to make it an acrimonious debate, maybe we get occasions to write about these things. There are hardy perennials in that list : there are all the desirables in this Address. I can give you an example. Again, we say, "subsidies must reach the really needy and the poor". It is said there, In every single Budget that Mr. Chidambaram had presented, it was the same thing. My friend, Bibek Debroy, former head of the Rajiv Gandhi Research Foundation, counted from

Dr. Manmohan Singh's own speeches as Prime Minister, and said that till June 8, when Bibek wrote that article, and he has recounted it again, the Prime Minister emphasised this point in his public speeches 24 times! And, absolutely, nothing was done. The same thing on administrative reforms.You have mentioned again and again. The DoPT has just put out a CD on administrative reforms. I am sure, the House will want to know facts on this. Do you know how many committees, workshops, commissions there have been on administrative reforms? Seventy three! But, we are still struggling in beginning the process of administrative reforms. So, there are many things in those lists.

But, there is one serious omission and I will conclude with that in just two minutes' time. We all have had great respect. I have know Doctor Sahab since 1972. We have had regard for him as a person of probity and honour. But, the fact of the matter is, in the last five years, maybe out of compulsion, norms got diluted and institutions became instruments. The CBI is just one example. The Governor's office; you read the Supreme Court's judgements on Jharkhand and Bihar. Cases against Mulayam Singh, Mayawati, or Lalu Yadav swung according to the need that the Government felt of their support! So, norms got diluted and institutions became instruments. It is this which is the main thing that needs to be remedied and that is why I was very, very surprised. We remember the phrase and that phrase is used here again ---' There shall be zero tolerance of terrorism.' But there has to be zero tolerance of something else also - corruption; not here! I may have missed it, but I do not find the world here. Is it because the corruption has been wiped out? Is it because the tolerance level has risen above zero? Or, is it that we have become realistic कि यह तो होगा ही, कहने का क्या फायदा।

Now, you contract this with the resolve which the Government showed in 2004, from the President's Address on June 7, 2004: "The Government is determined to rid the country of the scourge of corruption. The root causes of corruption and the generation of black money will be effectively tackled. For this purpose, the procedures will be streamlined and processes will be appropriately re-engineered to bring in transparency in Government." इस बार यह promise भी नहीं है। इस समय मेरी आपसे गुजारिश है ...**(व्यवधान)**... डिफेंस की बात मैंने आपसे कही, अन्तोनी साहब थे। कृष्णा साहब हैं इसलिए मैंने फॉरेन पॉलिसी की बात कही, डॉक्टर साहब को economy के बारे में बताने की जरूरत नहीं है, वह सब apparent है लेकिन इस चीज़ पर, Mr. Prime Minister, we plead with you because as you know Governments run, the State runs, the country runs on abiding to norms unconsciously, on institutions discharging their dharma, and therefore being obeyed spontaneously. That has gone. So, please restore the sanctify of institutions. When they are to be autonomous, let them be autonomous. By your actions, show that. And, where there are allegations of corruption, whether it is defence or in other sectors, please act swiftly to put that, scotch that, with the determination which your Government expressed in 2004 and which has not been expressed now.

I am so grateful to you, Mr. Deputy Chairman, Sir, for the time you have given.